DAVID BAUER 400 CAPITOL MALL, SUITE 1560 SACRAMENTO, CALIFORNIA 95814 A R POLITICAL 916/446-9049; fax 916/446-9029

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November 8, 2001

Fair Political Practices Commission 428 J St., 8th Fl. Sacramento CA 95814

Re: Proposed adoption of Regulation 18404.1

Regulation 18404.1, as written, is unnecessarily unfair and will impose unreasonable financial burdens on candidates and campaign treasurers.

Requiring unsuccessful candidates to terminate their committees and deplete whatever cash balances may remain, prior to the completion of any audits or the resolution of proposed or potential fines levied by the commission, denies them the means to conduct legitimate committee business. The burden to pay for legal or accounting advice during an audit falls to the candidate and his or her personal funds. Any fines would also be the exclusive responsibility of the candidate or treasurer since surplus campaign funds are no longer available. It is a reasonable expectation that they would resort to avoidance tactics to escape the unfair burden, thus reducing compliance with the spirit and letter of the law.

This problem will not be isolated to a few races. Audits of statewide candidate committees routinely occur after the termination date being proposed. This is also true of non-statewide candidates who are defeated in a primary election. The imposition of the new timetable fails to take account of how the FPPC's own regulations affect campaigns.

I suggest that it would be more reasonable and fair to terminate committees only after the completion of all mandated audits and the resolution of their findings.

Sincerely.

Want David Bauer